

EXHIBIT C

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1 UNITED STATES DISTRICT COURT
2 NORTHERN DISTRICT OF CALIFORNIA
3 BEFORE THE HONORABLE VAUGHN R. WALKER, JUDGE, CHIEF
4

4 IN RE: NATIONAL SECURITY)
5 AGENCY TELECOMMUNICATIONS) MDL C 06-1791 (VRW)
5 RECORDS LITIGATION)

6 _____)
6 San Francisco, California
7 Friday, November 17, 2006
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8 TRANSCRIPT OF PROCEEDINGS
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10 APPEARANCES:

10
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1 single master complaint would be terribly unwieldy and would
2 not tease out the issues that may be peculiar or individual to
3 the separate telecommunications companies. And I think the
4 sensible way to proceed is to require the filing of a master
5 complaint directed to those telecommunications companies, with
6 the exception of AT&T. I'm not sure I subscribe to
7 Mr. Ericson's theory of 1292 jurisprudence, but in any event,
8 we do have the Hepting case which at the moment can proceed as
9 the lead complaint against AT&T. And after I've had a chance
10 further to consider the question of what the pendency of the
11 interlocutory appeal in the Hepting case does with respect to
12 forming a single consolidated AT&T complaint, I think we can
13 proceed with the Hepting complaint in place and require simply
14 a master complaint against the other individual
15 telecommunications companies: BellSouth, TDS, Verizon, Sprint,
16 Comcast, and the others. I guess Charter Communications is one
17 of the defendants also.

18 So probably it make the most sense, Miss Cohn, to have
19 a BellSouth complaint, a Verizon complaint, a Sprint complaint,
20 and -- well, make a claim against all the others.

21 MS. COHN: Complaint against all the others?

22 THE COURT: Does that make the most sense?

23 MS. COHN: We suggested that we separate out MCI as
24 well because their facts are different. But then yes, have the
25 kind of the telcos that are the smaller ones -- well, not

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1 smaller in size, but in their participation so far, in a
2 miscellaneous complaint. I think that would be appropriate.
3 THE COURT: You're suggesting two complaints against
4 Mr. Rogovin's client?

5 MS. COHN: I am your Honor.

6 THE COURT: That got him on his feet fast.

7 MS. COHN: I am, your Honor, and the reason I'm -- we
8 are suggesting that is because MCI was just purchased by
9 Verizon, you know, a very short time ago. Their networks are
10 still very different. They are, for all practical purposes,
11 other than corporate ownership a separate telco, and a rather

12 large one, from Verizon. So we think that -- and again,
13 Verizon has very carefully distinguished what it's saying about
14 what it did from what MCI did, so we think all of those reasons
15 make MCI really look like a separate telecommunications company
16 for our purposes in this case, and so that's why we want a
17 separate complaint against them.

18 MR. ROGOVIN: Your Honor, if I might be heard very
19 briefly. It's all one company. If they have something
20 separate to say about MCI, it can be in the one complaint, and
21 we would ask that there be one consolidated complaint that
22 would track the defendants that are listed: In Footnote 4,
23 those are the Verizon defendants. That's how we've organized
24 today's presentation, and I think that makes all the sense. I
25 don't see any basis to be splitting up defendants like that.

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And so I would ask that, with your guidance, that plaintiffs be
2 asked to limit themselves to one complaint against the Verizon
3 defendants covering the defendants in Footnote 4.

4 MR. PERKINSON: Your Honor, if I may be heard?

5 THE COURT: Yes. And you are?

6 MR. PERKINSON: Jacob Perkinson on behalf of plaintiff
7 Roslyn Payne, who originally filed her case in Vermont and is,
8 in fact, a Verizon subscriber.

9 In this instance, I would agree with the defendants
10 that there should be a similar complaint on behalf of the
11 Verizon subscribers. I also would like to point out that at
12 this point the Court has not appointed lead counsel, and that
13 was one of the things on the agenda. There are two competing
14 suggestions, one by Plaintiff Payne, and one by the EFF group.
15 I don't know if your Honor intends to address that, but it
16 seems that that --

17 THE COURT: I do, I do.

18 MR. PERKINSON: Shall I sit down or --

19 THE COURT: Well, yes, let's take that up a little
20 later.

21 MR. PERKINSON: Okay. Thank you.

22 THE COURT: Unless you have anything further, Miss
23 Cohn, I'm inclined to agree with Mr. Rogovin that a complaint
24 against all the Verizon defendants would be appropriate.
25 Indeed, I think we should organize the complaints exactly along

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1 the lines that you set forth on Pages 2 and 3 of the joint case
2 management statement: One master complaint against the current
3 Verizon defendants as set forth in Paragraph 2, Footnote 4; one
4 master complaint against the BellSouth defendants as set forth
5 in Footnote 5; one master complaint against the Sprint
6 defendants identified in Footnote 6; and then an extra
7 complaint directed against the other defendants who are
8 identified in Footnote 7. And I would ask that those
9 complaints be filed by the 18th of December.

10 And I'm going to stay our discussion on the 21st of
11 December the question of whether the defendants should be
12 required to answer, move or otherwise respond to those master
13 complaints. I think it would be more illuminating to address
14 that question after we see the master complaints. And we may
15 have some further briefing on that question, but I think that's
16 an issue to be discussed on the 21st of December.

17 And I wonder if we cannot profitably on the 21st of
18 December also consider whether the Hepting order should not
19 apply to any assertion of state secrets privilege in all of the
20 other cases besides Hepting if there is some reason why the
21 Hepting order should not apply, and this is obviously something
22 that the defendants and plaintiffs may not have universal views
23 on. I think it would be helpful to tease those issues out to
24 the extent we can on the 21st of December.